Excerpts from the Conclusions to Special Estimate 27, 5 June 1952, entitled "PROBABLE EFFECTS OF WARIOUS POSSIBLE COURSES OF ACTION WITH RESPECT TO COMMUNIST CHINA"

"Imposition of a naval blackade is conjunction with a total embargo would compel Communist China to rely on overland shipments from the USSR for virtually all its imports. Such a blockade would not be effective unless it included Fort Arthur and Dairen.

economic strain. We do not believe that, in the short run, there would be any significant reduction in Chinese Communist military capabilities or in the stability of the regime. A blockade would, however, seriously interfere with the execution of Chinese Communist long-term plans for economic development and would make it more costly for the USSR to underwrite an expansion of present Chinese Communist military capabilities or new military ventures.

"In conjunction with an embargo and a naval blockade, effective and sustained aerial interdiction of key elements in the Chinese Communist rail and waterways system could have an extremely serious effect on Chinese Communist military capabilities, and the problems of maintaining the regime's political and economic controls would be greatly aggravated. Achievement of these significant results, however, would require a large-scale and sustained air bombardment campaign.

"Taposition of a total substruc on non-Communist trade with China would probably have no significant effects on Chinese Communist or Soviet military courses of action.

"Since a naval blockeds would aggrevate the logistical problems of Communist forces in the Far East, overland military vestures would be somewhat more difficult to undertake and overseas ventures much more difficult. On the other hand, imposition of a blockeds would cause the Communists to reappraise Western intentions and might possibly impel them to accept new risks in Korea, Indochina, or elsewhere."

Attachment - 1

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